

SB 63-FN – AS INTRODUCED

2013 SESSION

13-0915
08/10

SENATE BILL **63-FN**

AN ACT allowing historical racing.

SPONSORS: Sen. Hosmer, Dist 7; Sen. Soucy, Dist 18

COMMITTEE: Ways and Means

ANALYSIS

This bill allows historical races approved by the racing and charitable gaming commission on which the licensee sells pari-mutuel pools.

.....

Explanation: Matter added to current law appears in **bold italics**.
Matter removed from current law appears [~~in brackets and struck through~~].
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Thirteen

AN ACT allowing historical racing.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Pari-Mutuel Pools on Simulcast Racing; Historical Races Added. Amend RSA 284:22-a to read
2 as follows:

3 284:22-a Pari-Mutuel Pools on Simulcast Racing ***and Historical Races***.

4 I. In this section:

5 (a) “State” means each state of the United States, the District of Columbia, the
6 Commonwealth of Puerto Rico and any territory or possession of the United States.

7 (b) “Simulcast” means a licensee’s receipt of the transmission of races conducted at a
8 racetrack other than the licensee’s racetrack and which races are exhibited simultaneously at the
9 licensee’s racetrack by television or other means of electronic reproduction with the conduct of such
10 races at the point of origin and on which races the licensee sells pari-mutuel pools.

11 (c) “Licensee” means

12 (1) Any individual, association, partnership, joint venture, corporation, or other
13 organization or other entity which holds a license under RSA 284 to conduct a live running or
14 harness horse race meet, or if the election is made pursuant to RSA 284:22-a, II(c), licensee means
15 the individual, association, partnership, joint venture, corporation, or other organization or entity
16 which applies for a license under RSA 284 to conduct simulcasting at a facility at which live running
17 or harness horse racing was conducted in 2008, or

18 (2) The individual, association, partnership, joint venture, corporation, or other
19 organization or other entity which applies for a license pursuant to RSA 284:15-a to conduct
20 simulcasting at a facility at which live dog racing was conducted in 2008 and at which facility a license
21 was issued to an applicant for 2010 to simulcast running and harness horse racing and dog racing.

22 ***(d) “Historical races” means those races displayed by electronic means on which***
23 ***the licensee sells pari-mutuel pools and which are approved by the commission.***

24 II.(a) During the calendar years 1941-2029, a licensee may sell pari-mutuel pools on races
25 held at racetracks other than at the facility of the licensee, if any, provided:

26 (1) Such sales are within the enclosure of the facility at which the licensee holds a
27 license;

28 (2) Wagers are made on races which are exhibited by television or other electronic
29 reproduction at licensee’s facility ***either as historical races or*** simultaneously with the conduct of
30 each such race at its point of origin with the agreement or approval of the racetrack which provides the
31 transmission of the races to be simulcast and the racetrack which conducts the races to be simulcast;

1 (3) Unless the licensee makes the election pursuant to RSA 284:22-a, II(c), the
2 licensee which holds a license to conduct live harness or running horse racing has scheduled at least
3 50 calendar days of live harness and/or running horse racing in the calendar year such licensee
4 simulcasts *or displays historical races*; and

5 (4) The licensee obtains the consents and approvals set forth in RSA 284:22-a, III.

6 (b) [Repealed.]

7 (c) Notwithstanding subparagraph II(a), an individual, association, partnership, joint
8 venture, corporation, or other organization or entity may be issued a license to conduct simulcasting
9 without conducting live racing provided such person or entity makes such election with the approval
10 of the commission and such person or entity either held a license on January 1, 2009 under this
11 chapter to conduct a race meet or seeks to conduct simulcasting without conducting live racing at a
12 facility at which live racing was authorized to be conducted in 2009.

13 (d) Notwithstanding subparagraph II(a), an individual, association, partnership, joint
14 venture, corporation, or other organization or entity may be issued a license to conduct simulcasting
15 *or historical races*, without conducting live horse racing at a location in Cheshire county, provided
16 such person or entity applies for, and is issued, a license to conduct live horse racing at such location
17 in Cheshire county, complies with other provisions of this chapter with regard to application and
18 issuance of such license, makes such election with the approval of the commission, and such person
19 or entity has submitted an economic development plan to the commission to conduct a live horse
20 racing meet in Cheshire county within 36 months of the granting of a license. If no live horse racing
21 is conducted within the 36-month period the license to receive simulcast wagers shall be revoked.
22 The commission shall adopt regulations regarding the criteria of the proposed economic development
23 plan prior to issuance of any approval.

24 III. A licensee may sell pari-mutuel pools on *historical races or on* races held at other
25 appropriately licensed racetracks, whether such racetracks are in the state of New Hampshire or
26 outside the state of New Hampshire with the agreement or approval of the racetrack which provides
27 the transmission of the races to be simulcast and the racetrack which conducts the races to be
28 simulcast. A licensee may sell pari-mutuel pools under RSA 284:22-a on the same types of races that
29 it conducts live at its racetrack with the approval of the commission. A licensee may sell pari-mutuel
30 pools under RSA 284:22-a on types of races different from the types of races conducted live at the
31 licensee's racetrack, or if such licensee holds a license pursuant to RSA 284:15-a and RSA 284:16-a,
32 or the licensee makes the election pursuant to RSA 284:22-a, II(c) with respect to live running or
33 harness horse racing, provided such licensee obtains the approval from the commission and the
34 municipality in which the licensee operates its facility had approved the issuance of a license to
35 conduct harness or running horse racing and/or dog racing, whether live or simulcast, in such
36 municipality either prior to enactment of RSA 284:22-a or subsequent to enactment of RSA 284:22-a.

1 IV. A licensee which has scheduled less than 50 calendar days of live racing in a calendar
2 year may simulcast **or display historical races** on a day on which live racing is scheduled at the
3 licensee's race track, without conducting live racing, provided that the live racing program is
4 cancelled due to weather or other conditions which produce unsafe conditions at the racetrack of the
5 licensee. The determination to cancel a live program based upon weather or the condition of the
6 racetrack shall be made by the licensee, and notice shall be provided to the commission.
7 Notwithstanding the foregoing, a licensee which has scheduled less than 50 calendar days of live
8 racing shall be limited to no more than 10 such cancellations in a calendar year.

9 V.(a) A licensee may sell pari-mutuel pools for **historical races or** simulcast races for races
10 held at racetracks within or outside the state of New Hampshire in accordance with RSA 284:22-a,
11 II, within the enclosure of said licensee's racetrack or a licensee, with the written agreement with
12 the licensee which conducts or transmits the race which is to be simulcast **or displayed**, may sell a
13 common pari-mutuel pool in conjunction with the licensee which conducts or transmits the race
14 which is to be simulcast **or displayed**. In the event of common pools, the licensee which conducts or
15 transmits the race shall pay the tax required under RSA 284:23 for the portion of the common pool
16 actually contributed at said licensee's racetrack and the licensee which simulcasts **or displays**
17 **historical races** shall pay the tax due under RSA 284:23 for the portion of the common pool
18 actually contributed at said licensee's racetrack.

19 (b) A licensee may sell pari-mutuel pools for **historical races or** simulcast races for
20 races held at racetracks outside the state of New Hampshire in accordance with RSA 284:22-a, II,
21 within the enclosure of said licensee's racetrack or said licensee, with the written agreement with
22 the entity which conducts the race which is to be simulcast **or displayed**, may sell a common pari-
23 mutuel pool in conjunction with the entity which conducts the race which is to be simulcast **or**
24 **displayed**. In the event of such common pools, the commission shall be in the amount established
25 by the law of the state in which the race to be simulcast **or displayed** is actually conducted,
26 provided, however, the licensee shall pay the tax as provided under RSA 284:23.

27 VI. Racing officials, as defined in the rules adopted by the commission, any employee or
28 owner of the entity which provides the totalizator system to the licensee, and any person responsible
29 for the operation of the electronic reproduction equipment which receives the simulcast **or display**
30 **of a historical race** shall be prohibited from participating in wagering, directly or indirectly, on
31 simulcast races **or historical races** shown at the licensee's racetrack.

32 VII. The provisions of RSA 284:15-c, RSA 284:16-a, RSA 284:16-c, RSA 284:17, RSA 284:17-
33 a, and RSA 284:17-c shall not apply to simulcast, **historical races**, and pari-mutuel pools under
34 RSA 284:22-a, except as specifically provided in RSA 284:22-a.

35 VIII. RSA 284:22, I, II, III, and IV shall apply according to the type of race on which the
36 simulcast **and historical race** wagers are made, excepting, however, interstate common pools as
37 provided in RSA 284:22-a, V(b) and that the provisions made for purses made in RSA 284:22, I shall

1 not apply to simulcast races **and historical races**. The commission on simulcast race pools shall be
2 available to the simulcasting licensee to satisfy obligations to the racing association originating or
3 transmitting such simulcast races or to the horsemen's group of such association.

4 2 Pari-Mutuel Pools; Distribution of Tax. Amend RSA 284:23 to read as follows:

5 284:23 Tax.

6 I.(a) Each person, association or corporation licensed to conduct a running horse race or
7 running horse meet under this chapter shall pay to the state treasurer a sum of money equal to one
8 percent of the total contributions to all pari-mutuel pools conducted, made, or sold at any such race
9 or meet licensed under this chapter. The amounts so paid to the state treasurer shall be for the use
10 of the state.

11 (b) Each person, association, or corporation licensed to **display historical races or to**
12 simulcast a running horse race or running horse meet under this chapter shall pay to the state
13 treasurer a sum of money equal to 1 1/4 percent of the total contributions to all such pari-mutuel
14 pools conducted, made, or sold at such **historical race**, simulcast race, or simulcast race meet by
15 such person, association, or corporation licensed to simulcast such races **or display historical**
16 **races**. The amount so paid to the state treasurer shall be for the use of the state.

17 (c) Any amounts so paid to the state treasurer by any person, association, or corporation
18 licensed to **display a historical race, or to** simulcast a running horse race or running horse meet
19 under this chapter collected in Cheshire county shall be held in escrow for a period of not more than
20 36 months by the state treasurer. If any person, association, or corporation licensed under this
21 chapter has commenced to hold a live race meet within the 36-month period the escrowed amounts
22 shall be paid to the racing and charitable gaming commission to offset any expenses incurred for the
23 services required to hold such meet. If there is no live race meet within the 36-month period all
24 sums so escrowed shall be for the use of the state.

25 II.(a) Each person, association, or corporation licensed to conduct a harness horse race or
26 harness horse race meet under this chapter shall pay to the state treasurer a sum of money equal to
27 one percent of all total contributions to all pari-mutuel pools in a calendar day. The amount so paid
28 to the state treasurer shall be for the use of the state.

29 (b) Each person, association, or corporation licensed to **display historical races or to**
30 simulcast a harness horse race or simulcast a harness horse race meet under this chapter shall pay
31 to the state treasurer a sum of money equal to 1 1/4 percent of the total contributions to all such
32 pari-mutuel pools conducted, made, or sold at such **historical race**, simulcast race, or race meet by
33 such person, association, or corporation licensed to simulcast such races. The amount so paid to the
34 state treasurer shall be for the use of the state.

35 (c) Any amounts so paid to the state treasurer by any person, association, or corporation
36 licensed to **display a historical race**, simulcast a harness horse race or harness horse race meet
37 under this chapter collected in Cheshire county shall be held in escrow for a period of not more than

1 36 months by the state treasurer. If any person, association, or corporation licensed under this
2 chapter has commenced to hold a live race meet within the 36-month period the escrowed amounts
3 shall be paid to the racing and charitable gaming commission to offset any expenses incurred for the
4 services required to hold such meet. If there is no live race meet within the 36-month period all
5 sums so escrowed shall be for the use of the state.

6 III.(a) [Repealed.]

7 (b) Each person, association or corporation licensed to **display historical races or to**
8 simulcast a dog race or simulcast a dog race meet under this chapter shall pay to the state treasurer
9 a sum of money equal to 1 1/2 percent of all pari-mutuel pools conducted, made, or sold at such
10 simulcast race or simulcast race meet by such person, association, or corporation licensed under this
11 chapter. The amount so paid to the state treasurer shall be for the use of the state.

12 (c) Any amounts so paid to the state treasurer by any person, association, or corporation
13 licensed to **display a historical race or to** simulcast a dog race or meet under this chapter
14 collected in Cheshire county shall be held in escrow for a period of not more than 36 months by the
15 state treasurer. If any person, association, or corporation licensed under this chapter has
16 commenced to hold a live race meet within the 36-month period the escrowed amounts shall be paid
17 to the racing and charitable gaming commission to offset any expenses incurred for the services
18 required to hold such meet. If there is no live race meet within the 36-month period all sums so
19 escrowed shall be for the use of the state.

20 IV. Each person, association, or corporation licensed to conduct a race or race meet under
21 this chapter shall also pay to the city or town treasurer in which the racing plant is located for each
22 day of racing, whether such day includes live racing only, **historical races and** simulcast racing
23 only, or a combination thereof, the fees assessed in subparagraphs (a) and (b) below, based upon the
24 aggregate pari-mutuel pools conducted, made, or sold by such person, association, or corporation on
25 each such day. This rate is provided if said person, association, or corporation has a license to
26 conduct races or race meets for more than 10 days during the year for which the license is issued. If
27 said person, association, or corporation has a license to conduct races or race meets for 10 days or
28 less, the per diem fee shall be determined by the commission.

29 (a) Each Weekday including Saturday

Pari-mutuel pool	Fee
Under \$300,000	\$300 per day
\$300,000 or more	\$350 per day

33 (b) Each Sunday

Pari-mutuel pool	Fee
Under \$350,000	\$400 per day
\$350,000 but under \$500,000	\$800 per day
\$500,000 or more	\$1,200 per day

1 V. [Repealed.]

2 VI. [Repealed.]

3 VII. For the purposes of this chapter, “racing program” means live racing with any number
4 of individual races as determined by the racing and charitable gaming commission. A live race or
5 racing program may include a combined live and simulcast race *or historical race* where the
6 combination contains at least one more live race to simulcast *or display* in the same combination.
7 Any such live racing program or combined racing program upon which a separate tax is paid may
8 constitute a live racing performance day.

9 3 Unclaimed Ticket Money. Amend RSA 284:31 to read as follows:

10 284:31 Unclaimed Ticket Money. On or before January 31 of each year every person,
11 association, or corporation conducting a race or race meet, whether live racing, ~~[or]~~ simulcast racing,
12 *or display of historical races*, hereunder shall pay to the state treasurer all moneys collected
13 during the previous year of pari-mutuel pool tickets and vouchers which have not been redeemed.
14 The books or records of said person, association, or corporation, which clearly show the tickets
15 entitled to reimbursement in any given race, live or simulcast, shall be forwarded to the commission.
16 Such moneys shall become a part of the general funds of the state. The state treasurer shall pay the
17 amount due on any ticket or voucher to the holder thereof from funds not otherwise appropriated
18 upon an order from the commission. Pari-mutuel tickets and vouchers which remain unclaimed
19 after 11 months shall not be paid. Vouchers shall be remitted to the state treasurer on January 31 of
20 the calendar year, 24 months after the year of the unclaimed voucher.

21 4 Effective Date. This act shall take effect 60 days after its passage.

SB 63 FISCAL NOTE

AN ACT allowing historical racing.

FISCAL IMPACT:

The Racing and Charitable Gaming Commission states this bill, **as introduced**, may increase state education trust fund revenue and local revenue by an indeterminable amount in FY 2014 and each year thereafter. There is no impact on county revenue, or state, county and local expenditures.

METHODOLOGY:

The Racing and Charitable Gaming Commission states this bill provides for historical racing wagering at a facility where a license is held to conduct a race meet or have simulcast racing. The Commission assumes this bill will not take effect until FY 2014. The Commission states there are three racetracks in the state, of which two are licensed to conduct pari-mutuel wagering. The Commission assumes the one racetrack not licensed to conduct pari-mutuel wagering will become licensed. The Commission assumes one of the three facilities would install historical racing machines for horse races. If the facility that chooses to install historical racing machines is the unlicensed one, then when the facility becomes licensed to do so, they will pay a license fee of \$50,000 for a five year license, increasing revenue by that amount. It is assumed 100 machines would be installed in the first six months of a year (181 days) and 100 additional machines during the second six months (184 days) of a year for a total of 200 machines in the first year. In the second year another 100 machines will be added bringing the total to 300 machines. The expected pool is \$1,164 per machine per day. The state share is 1.25 percent of the total handle and 0.25 percent of unclaimed tickets. Below is the estimated state revenue:

	FY 2014	FY 2015
Total Expected Handle (FY 2014 calculated based on a 181 day first six months with 100 machines and 184 day second six months with an additional 100 machines for a total of 200 machines; FY 2015 is based on 300 machines)	\$63,903,600	\$127,458,000
Estimated State Tax Revenue	\$798,795	\$1,593,225
Unclaimed Tickets	\$159,759	\$318,645
Less Estimated Unclaimed Ticket Payouts	(\$1,600)	(\$3,000)

Total Net Revenue to State	\$956,954	\$1,908,870
-----------------------------------	------------------	--------------------

Local municipalities are paid a fee on days that racing, including simulcast and historical race, are held based on the rate in RSA 284:23,IV. The Commission estimates local revenue would increase by \$114,700 in FY 2014 and \$131,050 in FY 2015 based on the assumption one racetrack chooses to install historical racing machines.